

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF WISCONSIN**

BESTWAY (USA), INC.; and)	
BESTWAY INFLATABLES &)	
MATERIAL CORP.)	
)	
Plaintiff,)	
)	
v.)	Civil Action No.
)	
SHANGHAI JILONG PLASTIC)	
PRODUCTS CO., LTD.;)	
FUN-ZONE INFLATABLE EXPERTS)	
NORTH AMERICA, INC.; and)	
ZHENGREN ZHU)	
)	
Defendant,)	
_____)	

COMPLAINT

Plaintiffs Bestway (USA), Inc. and Bestway Inflatables & Material Corp. (hereinafter collectively “Bestway”) for their Complaint against defendants Shanghai Jilong Plastics Co., Ltd. (“Jilong Shanghai”); Fun-Zone Inflatables Experts North America, Inc. f/k/a Jilong Plastic Products (North America) Inc. (“Fun-Zone”); and Mr. Zhengren Zhu (collectively “Jilong”), alleges as follows:

JURISDICTION AND VENUE

1. This is an action for unfair competition pursuant to the Lanham Act, 15 U.S.C. §1051 *et seq.*, unfair competition under Wisconsin Common Law and Misappropriation of Style of Doing Business under Wisconsin Common Law.
2. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1332 and 1338, and pursuant to the supplemental jurisdiction of this Court under 28 U.S.C. § 1367(a). This Court has personal jurisdiction over Jilong under 28 U.S.C. § 1400(a)

and because Jilong has committed the acts complained of herein within this judicial district. Venue is proper in this judicial district under 28 U.S.C. §§ 1391 and/or 1400(a).

PARTIES

3. Bestway (USA), Inc. is a corporation organized and existing under the laws of the State of Arizona with its principal place of business located at 1320 S, Priest Drive, Suite 103, Tempe, Arizona.

4. Bestway Inflatables & Material Corp. is a corporation existing under the laws of the People's Republic of China, having its principal place of business at No.3065 Cao An Road, Shanghai, 201812, China.

5. Upon information and belief, Shanghai Jilong Plastics Co., Ltd. is a corporation existing under the laws of the People's Republic of China, having its principal place of business at 460 Lanxue Road, Huanglou, Pudong Area, Shanghai 201205, China.

6. Upon information and belief, Fun-Zone Inflatables Experts North America, Inc. f/k/a Jilong Plastic Products (North America) Inc. is a corporation existing under the laws of British Columbia, Canada, having its principal place of business at 105 West 2nd Ave., Vancouver B.C. V5Y1B8 Canada.

7. Upon information and belief, Mr. Zhengren Zhu, is an individual resident of China, and is and has been an executive officer Shanghai Jilong Plastics Co., Ltd. and is the person responsible for directing the actions of Jilong Shanghai and Fun-Zone in the manner described herein.

FACTUAL BACKGROUND

8. Bestway is one of the worldwide leader in the manufacturing and distribution of inflatable and related recreational products including aquatic toys, inflatable leisure products,

above ground swimming pools, inflatable spas, water treatment equipment, sporting goods, inflatable air mattresses, tents, and sleeping bags. Additional information about Bestway can be found at <http://www.bestway-global.com>.

9. Upon information and belief, Jilong Shanghai is a manufacturer and distributor of inflatable products. Additional information about Jilong can be found at <http://www.jilong.com>.

10. Jilong Shanghai was Bestway's largest supplier of inflatable products from 1994 to 1996.

11. Over the past few years, Jilong has begun copying product offerings, product designs, marketing strategies, catalog layouts, and numerous other elements of Bestway's style of doing business. Numerous examples of this mimicry exist and a number of them are set forth below. Jilong has done this to capitalize on Bestway's goodwill and to confuse consumers into believing that Jilong and Bestway have a relationship such that Jilong's products are sponsored by, affiliated with, licensed or otherwise emanate from Bestway.

12. Shown below is an example of an inflatable spa and its control panel, from Bestway's catalog and/or manual for the Bestway Lay-Z-Spa.



13. Shown below are examples of an inflatable spa and its control panel, identified as item numbers JL017015NG, JL017015NN, and/or JL017015NAU, from Jilong's catalog.

Additional examples of Jilong's inflatable spa can be found at website:

<http://www.jilong.com/UploadFiles/201002041849249364026-BS1-10-E.pdf>. Still further

examples of Jilong's inflatable spa, as is distributed by U.S. retailer H.W.P. Inc d/b/a First Spa,

is available via the internet at <http://www.firstspausa.com/deluxespa.html>, and is attached hereto

as Exhibit 3. Upon information and belief, Jilong makes, uses, reproduces, causes to be

reproduced, imports, displays, offers for sale, sells and/or distributes this inflatable spa

throughout the United States including the Eastern District of Wisconsin.



14. Shown below is an example of an above ground pool sold by Bestway under the product item number 56251. The below photograph appears in Bestway's catalog.



15. Shown below is an example of an above ground pool, identified as item numbers JL017233N, JL017233NG, JL017233NF, JL017233NN, JL017233ND, JL017233-INF, JL017234N, JL017234NG, JL017234NF, JL017234NN, JL017234ND, and/or JL017234-INF, which, upon information and belief, is reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin. The below photograph appears in Jilong's catalog and, as can be clearly seen, the photograph and the product itself bear a striking resemblance to the photograph in Bestway's catalog.



16. Shown below are examples of animal shaped swim rings sold by Bestway and shown in Bestway's catalog.



17. Shown below is an example of animal shaped swim rings, identified as item number JL047214, which, upon information and belief, is reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



18. Shown are examples of animal shaped inflatable mats sold by Bestway and shown in Bestway's catalog.



19. Shown below is an example of animal shaped inflatable mats, identified as item number JL027203NPF, which, upon information and belief, is reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



20. Shown below are two examples of car shaped inflatable ball games sold by Bestway and shown in Bestway's catalog.



21. Shown below is an example of a car shaped inflatable ball game, identified as item number JL097102NPF, which, upon information and belief, is reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



22. Shown below is an example of an inflatable air bed sold by Bestway's and marketed under the "Comfort Green" logo depicted below.



23. Shown below is an example of an inflatable air bed marketed under the "2nd time around" logo depicted below, identified as item number JL027026N and/or JL027025N, which, upon information and belief, is reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin. These Jilong items have a green logo placed in the same spot and the same blue color as the Bestway inflatable Comfort Green air bed.



24. Shown below is an example of inflatable air beds sold by Bestway and shown in Bestway's catalog.



25. Shown below is an example of inflatable air beds, identified as item numbers JL027208N and/or JL027232N, which, upon information and belief, are reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.





#120198 / Naturelle Baby Ring

- 100% PVC
- Material: Blue / Naturally Inflatable Color
- Weight: 1.5 kg (3.3 lb)
- Dimensions: 100 cm (39.4 in)
- Age: 0-3 years
- Weight limit: 15 kg (33 lb)



#121000 / Naturelle Baby Ring

- 100% PVC
- Material: Blue / Naturally Inflatable Color
- Weight: 1.5 kg (3.3 lb)
- Dimensions: 100 cm (39.4 in)
- Age: 0-3 years
- Weight limit: 15 kg (33 lb)



#121054 / Naturelle Baby Ring

- 100% PVC
- Material: Blue / Naturally Inflatable Color
- Weight: 1.5 kg (3.3 lb)
- Dimensions: 100 cm (39.4 in)
- Age: 0-3 years
- Weight limit: 15 kg (33 lb)



#121057 / Naturelle Baby Ring

- 100% PVC
- Material: Blue / Naturally Inflatable Color
- Weight: 1.5 kg (3.3 lb)
- Dimensions: 100 cm (39.4 in)
- Age: 0-3 years
- Weight limit: 15 kg (33 lb)

[illegible]

28. Shown below are examples of inflatable water slides from Bestway's catalog.



29. Shown below is an example of an inflatable water slide, identified as item number JL097109NPF, which, upon information and belief, are reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin. .



30. Shown below are examples of an inflatable pool in a girls' product line sold by Bestway and shown in Bestway's catalog.



31. Shown below is an example of an inflatable pool in a girls' product line, identified as item number JL017051NPF, which, upon information and belief, is reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



32. Shown below are examples of an inflatable castle in a girls' product line sold by Bestway and shown in Bestway's catalog.



33. Shown below is an example of an inflatable castle in a girls' product line, identified as item number JL097107NPF which, upon information and belief, is reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



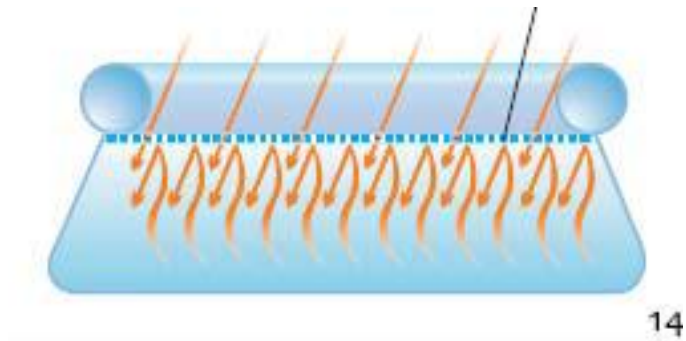
34. Shown below is an example of an inflatable air bed with an integrated sleeping bag in a girls' product line sold by Bestway and shown in Bestway's catalog.



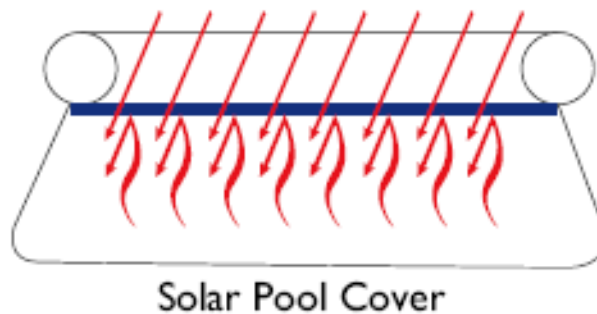
35. Shown below is an example of an inflatable air bed with an integrated sleeping bag in a girls' product line, identified as item number JL097107NPF, which, upon information and belief, is reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



36. Shown below is an illustration of a solar pool cover, from Bestway's catalog and/or manual for the Bestway Lay-Z-Spa.



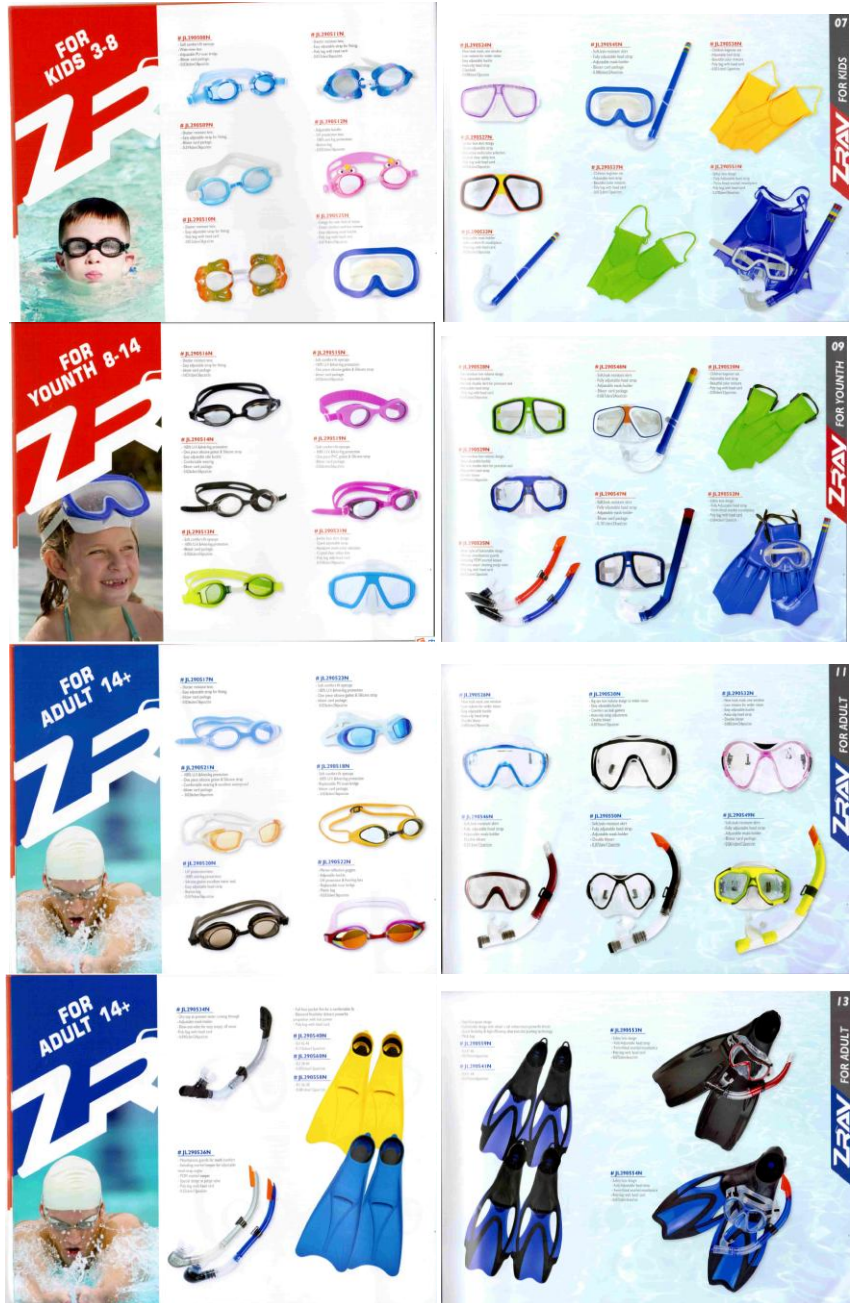
37. Shown below is an illustration of a solar pool cover from Jilong's catalog, which, upon information and belief, is reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



38. Shown below is an example of swimming goggles, masks and fins that are sold in the swim gear product line sold by Bestway and shown in Bestway's catalog since at least as early as 2012.



39. Shown below are an example of swimming goggles, masks and fins that are sold in the swim gear product line which, upon information and belief, were first introduced by Jilong in pages 6 to 13 of the Summer Section of Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin. As can be seen, the specific product offerings are virtually identical to those offered by Bestway.



40. Shown below is an example of a Frosted Neon Swim Ring that has been sold by Bestway and shown in Bestway's catalog since at least as early as 2003.



41. Shown below is an example of swim rings, which, upon information and belief, is identified under the name “Frosted Neon Swim Ring” and product number JL047213NPF, that was first introduced by Jilong in Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



42. Shown below is an example of a crocodile swim float that has been sold by Bestway and shown in Bestway's catalog since at least as early as 2003.



43. Shown below is an example of a crocodile swim float, which, upon information and belief, is identified under the product number JL047213NPF, that was first introduced by Jilong in Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



44. Shown below is an example of a pitball play pool that has been sold by Bestway and shown in Bestway's catalog since at least as early as 2006.



45. Shown below is an example of a pitball play pool, which, upon information and belief, is identified under the product number JL017260NPF, that was first introduced by Jilong in Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



46. Shown below is an example of a kid's above ground pool that has been sold by Bestway and shown in Bestway's catalog since at least as early as 2012.



47. Shown below is an example of a kid's above ground pool, which, upon information and belief, is identified under the product number JL037255NPF, that was first introduced by Jilong in Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



48. Shown below is example of animal float thermometers that have been sold by Bestway and shown in Bestway's catalog since at least as early as 2010.



49. Shown below is an example of animal float thermometers, which, upon information and belief, is identified under the product number JL290475N, that were first introduced by Jilong in Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



50. Shown below is an example of a pool water chemical tester that has been sold by Bestway and shown in Bestway's catalog since at least as early as 2011.



51. Shown below is an example of a pool water chemical tester, which, upon information and belief, is identified under the product number JL290493N, that was first introduced by Jilong in Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



52. Shown below is an example of a pool water chemical test strip package that has been sold by Bestway and shown in Bestway's catalog since at least as early as 2010.



53. Shown below is an example of a pool water chemical test strip package, which, upon information and belief, is identified under the product number JL29047N, that was first introduced by Jilong in Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



54. Shown below is an example of a floating chemical dispenser that has been sold by Bestway and shown in Bestway's catalog since at least as early as 2010.



55. Shown below is an example of a floating chemical dispenser, which, upon information and belief, is identified under the product number JL290471N, that was first introduced by Jilong in Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



56. Shown below is an example of an above ground pool water hose that has been sold by Bestway and shown in Bestway's catalog since at least as early as 2013.



57. Shown below is an example of an above ground pool water hose, which, upon information and belief, is identified under the product number JL290497N, that was first introduced by Jilong in Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



58. Shown below is an example of a spray brush head accessory for use with an above ground pool that has been sold by Bestway and shown in Bestway's catalog since at least as early as 2010.



59. Shown below is an example of a spray brush head accessory for use with an above ground pool, which, upon information and belief, is identified under the product number JL290495N, that was first introduced by Jilong in Jilong's 2014 catalogue that has been distributed to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.



60. Bestway has sold and shown in its catalog since at least as early as 2012 a line of licensed Disney Princess inflatable toys, including a beach set and bag identified under product number 91054.

61. Upon information and belief, Jilong has now introduced for the first time in Jilong's 2014 catalogue, a confusingly similar beach set and bag identified under the product name "Stone Skunk Kids Set" and product number JL047222NPF, and has distributed the catalogue to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.

62. Bestway has sold and shown in its catalog since at least as early as 2009 an inflatable ring product identified under the product name "Tire Tube" and product number 36102.

63. Upon information and belief, Jilong has now introduced for the first time in Jilong's 2014 catalogue, a confusingly similar inflatable ring product identified under the product number JL047243NPF, and has distributed the catalogue to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.

64. Bestway has sold and shown in its catalog since at least as early as 2006 an inflatable pool cover under the product number 58108.

65. Upon information and belief, Jilong has now introduced for the first time in Jilong's 2014 catalogue, a confusingly similar inflatable pool cover identified under the product number JL011387N, and has distributed the catalogue to the public at trade shows, reproduced, imported, displayed, offered for sale, sold and/or distributed throughout the United States including the Eastern District of Wisconsin.

66. Bestway has used the distinctive mark "FAST SET" since at least as early as 2001 to identify and distinguish the goods and services it provides to customers from the goods and services provided to others.

67. Bestway uses the FAST SET mark in advertising in the United States by, among other things, placing labels bearing the mark on the goods and using it on its web site and in brochures. As a result of this extensive use by Bestway, the FAST SET mark has come to signify to the consuming public a source of spas, inflatable pools and non-metal above-ground swimming pools and other products originating only with Bestway.

68. Bestway is owner of federal trademark registrations Reg. No. 2,743,728 for the mark “FAST SET” for inflatable pools and Reg. No. 3,442,181 for the mark “FAST SET” for non-metal above-ground swimming pools.

69. On information and belief, beginning at least as early as 2010, Jilong has manufactured and sold spas, inflatable pools and/or non-metal above-ground swimming pools under the trademark PROMPT SET.

70. Jilong’s use of PROMPT SET in the manner described above is yet another example of Jilong’s mimicry of Bestway’s style of doing business and is intended to and is likely to cause confusion in the marketplace in that actual and prospective customers are likely to believe that Jilong’s goods and services are associated with, connected to, approved or endorsed by Bestway.

71. Jilong has also unfairly competed with Bestway by means of copying the look, feel and subject matter of Bestway promotional videos published on www.youtube.com.

72. Jilong has misappropriated the outward appearance of Bestway’s business and Bestway’s style of doing business.

73. Jilong has unfairly competed with Bestway by means of substantially copying and publishing the Bestway sales policy.

74. Jilong's activity has caused and will continue to cause irreparable and monetary harm to Bestway unless enjoined. The repeated and ongoing blatant mimicking of Bestway's products and methods and style of doing business is evidence of Jilong's willful and malicious intent to continue infringing Bestway's protected rights, to continue deceiving the public, and to continue to damage and harm Bestway and the public. Unless restrained and enjoined, Jilong will continue to do the acts complained of herein, all to Bestway's irreparable harm. Bestway's remedy at law is not adequate to compensate it for the injuries it has incurred and will incur.

COUNT 1

(Misappropriation of Style of Doing Business under Wisconsin Common Law)

75. Paragraphs 1- 74 above, inclusive, are incorporated herein by reference.

76. Bestway has invested time, skill, energy and money in the development of Bestway's individual products, the outward appearance of Bestway's business and Bestway's style of doing business.

77. Upon information and belief, Jilong misappropriated or copied Bestway's style of doing business, while in direct competition with Bestway.

78. Upon information and belief, Jilong has gained a competitive advantage over Bestway by way of misappropriating or copying the Bestway's style of doing business, while in direct competition with Bestway.

79. Jilong's acts of misappropriating Bestway's style of doing business have caused damage to Bestway, and Bestway is entitled to recover from Jilong's wrongful acts, in an amount subject to proof at trial.

80. The actions by Jilong are willful and with malice, oppression and fraud.

81. Bestway has been and continues to be harmed by Jilong's acts of misappropriating Bestway's style of doing business in violation of Wisconsin common law and

unless such conduct is enjoined, will continue to suffer irreparable harm that cannot be adequately calculated or compensated solely by money damages.

82. Bestway has no adequate remedy at law and is entitled to a preliminary and a permanent injunction enjoining Jilong from further violation of Bestway's rights.

COUNT 2
(Violation of Lanham Act § 43(a) (15 U.S.C. § 1125(a)))

83. Paragraphs 1-82 above, inclusive, are hereby incorporated herein by reference.

84. Upon information and belief, Jilong has substantially copied and mimicked many of Bestway's products, marketing and informational materials and method and style of doing business in an unfairly competitive manner.

85. Bestway has been and continues to be harmed by Jilong's unfairly competitive acts in violation of the Lanham Act § 43(a) [15 U.S.C. § 1125(a)] and unless such conduct is enjoined, will continue to suffer irreparable harm that cannot be adequately calculated or compensated solely by money damages.

86. Upon information and belief, Jilong's unfairly competitive acts in violation of the Lanham Act § 43(a) have an effect on American foreign commerce the interest of which is sufficiently strong in relation to those of other nations as to justify an assertion of extraterritorial authority, and have resulted in ongoing cognizable injury to Bestway under the Lanham Act.

87. The actions by Jilong are willful and with malice.

88. Bestway has no adequate remedy at law and is entitled to a preliminary and a permanent injunction enjoining Jilong from further violation of Bestway's rights.

COUNT 3
(Unfair Competition under Wisconsin Common Law)

89. Paragraphs 1-88 above, inclusive, are hereby incorporated herein by reference.

90. Bestway has been and continues to be harmed by Jilong's unfairly competitive acts in violation of Wisconsin common law and unless such conduct is enjoined, will continue to suffer irreparable harm that cannot be adequately calculated or compensated solely by money damages.

91. Bestway has been and continues to be harmed by Jilong's unfairly competitive acts in violation of Wisconsin common law and unless such conduct is enjoined, will continue to suffer irreparable harm that cannot be adequately calculated or compensated solely by money damages.

92. The actions by Jilong are willful and with malice, oppression and fraud.

93. Bestway has no adequate remedy at law and is entitled to a preliminary and a permanent injunction enjoining Jilong from further violation of Bestway's rights.

PRAYER FOR RELIEF

WHEREFORE, Bestway hereby prays for judgment as follows:

1. That Jilong has misappropriated Bestway's style of doing business in violation of Wisconsin common law;

2. That Jilong has unfairly competed with Bestway in violation of § 43(a) of the Lanham Act;

3. That Jilong has unfairly competed with Bestway in violation of Wisconsin common law;

4. That Jilong, its officers, directors, agents, representatives, successors or assigns, and all persons acting in concert or in participation with any of them, be immediately and permanently enjoined from:

- (a) misappropriating the outward appearance of Bestway's individual products, business and comprehensive manner of operating its business;
- (b) further disseminating catalogs and/or web site information referred to herein, as well as any other materials including any or all of the same or similar protected copyright works;
- (c) otherwise competing unfairly with Bestway in any manner; and
- (d) assisting, aiding, or abetting any other person or business entity in engaging in or performing any of the activities referred to in the above subparagraphs (a) through (c), or effecting any assignments or transfers, forming new entities or associations or utilizing any other device for the purpose of circumventing or otherwise avoiding the prohibitions set forth in subparagraphs (a) through (c).

5. An order requiring Jilong to pay Bestway's damages suffered due to the conduct complained of herein but in no case less than \$300,000;

6. An order requiring Jilong to account for and pay to Bestway its profits attributable to the conduct complained of herein;

7. An order requiring Jilong to pay punitive damages;

8. An order requiring Jilong to pay Bestway's attorneys' fees and costs of suit as allowed by law;

9. Such other and further relief as the Court deems just and proper.

Jury Demand

Plaintiff Bestway demands that this matter be tried before a jury.

Dated: September 11, 2013

/s/ Adam L. Brookman

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